



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0164	Title:	Revise FWP land management and acquisition re: Good Neighbor Policy
Primary Sponsor:	Barrett, Debby	Status:	As Amended in House Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$528,700	\$528,700	\$499,300	\$499,300
Capital Projects	\$729,200	\$729,200	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$818,600	\$818,600	\$60,000	\$60,000
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

The Department of Fish, Wildlife and Parks will spend \$1,637,200 during the 2011 biennium and \$120,000 during the 2013 biennium to provide funding for a maintenance account for new land acquisitions.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife and Parks (FWP)

- The department currently has the following unspent acquisition authority:

General License Account (02409)	\$ 54,000
FAS Acquisition Account (02415)	\$ 140,000
Federal Fish (WB) Account (03097)	\$ 100,000
Access Montana Account (05144)	\$4,292,000

- The department has requested the following authority in HB 5 for the 2011 biennium:

FAS Acquisition Account (02415)	\$ 500,000
Federal Fish (WB) Account (03097)	\$ 100,000

Access Montana Account (05144) \$3,000,000

3. The department will request the same acquisition authority in the 2013 biennium as in the 2011 biennium (see #2) except for Access Montana.
4. The department will spend the existing authority for land acquisition evenly in the 2011 biennium and will spend additional authority evenly in the biennium received.
5. Except for federal sources, the funding source that purchases the acquisition is responsible for providing the additional 20% for maintenance.
6. Since federal sources do not include funding for maintenance, the 20% for the maintenance fund will come from a state special revenue fund.
7. The department will transfer the lesser of 20% of the acquisition price or \$300,000 to the Land Acquisition Maintenance fund for all future land acquisitions that uses this authority. FWP assumes that all acquisition will be less than \$1.5 million, so the department will transfer \$89,400 $((\$54,000 + \$140,000 + \$100,000 + \$600,000) \times 20\% \times .5)$ in FY 2010 and FY 2011 and \$60,000 $(\$600,000 \times 20\% \times .5)$ in FY 2012 and FY 2013 from the appropriate state special revenue fund and \$729,200 $(\$7,292,000 \times 20\% \times .5)$ in FY 2010 and FY 2011 from the appropriate capital projects fund.
8. Funds in the Maintenance Account will be spent equally across the 2011 and 2013 biennia for purposes defined in section 5 of the bill $(\$729,200 + \$729,200 + \$89,400 + \$89,400 + \$60,000 + \$60,000 = \$1,757,200/4 = \$439,300)$.
9. 17-1-508, MCA requires analysis of the statutory appropriation relative to the guidance in 17-1-508 (2), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

	<u>YES</u>	<u>NO</u>
a. The fund or use requires an appropriation.	X	
b. The money is not from a continuing, reliable, and estimable source.		X
c. The use of the appropriation or the expenditure occurrence is not predictable and reliable.	X	
d. The authority does not exist elsewhere.	X	
e. An alternative appropriation method is not available, practical, or effective.	X	
f. Other than for emergency purposes, it does not appropriate money from the state general fund.	X	
g. The money is dedicated for a specific use.	X	
h. The legislature wishes the activity to be funded on a continual basis.	X	
i. When feasible, an expenditure cap and sunset date are included.	X	

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Exp. (Maintenance)	\$439,300	\$439,300	\$439,300	\$439,300
Transfers	\$818,600	\$818,600	\$60,000	\$60,000
TOTAL Expenditures	\$1,257,900	\$1,257,900	\$499,300	\$499,300
<u>Funding of Expenditures:</u>				
SSR - Maintenance (02)	\$439,300	\$439,300	\$439,300	\$439,300
State Special Revenue (02)	\$89,400	\$89,400	\$60,000	\$60,000
Capital Projects (05)	\$729,200	\$729,200	\$0	\$0
TOTAL Funding of Exp.	\$1,257,900	\$1,257,900	\$499,300	\$499,300
<u>Revenues:</u>				
SSR-Maintenance (02) (Transf	\$818,600	\$818,600	\$60,000	\$60,000
State Special Revenue (02)	\$0	\$0	\$0	\$0
Capital Projects (05)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$818,600	\$818,600	\$60,000	\$60,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
SSR - Maintenance (02)	\$379,300	\$379,300	(\$379,300)	(\$379,300)
State Special Revenue (02)	(\$89,400)	(\$89,400)	(\$60,000)	(\$60,000)
Capital Projects (05)	(\$729,200)	(\$729,200)	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date

**Dedication of Revenue 2011 Biennium****SB 164 – Land Acquisition Maintenance**

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)**
Secondary beneficiaries of the land acquisition maintenance fund would be persons who do not purchase hunting and fishing licenses but would appreciate the maintenance efforts on department property.
- b) **What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?**
The land acquisition maintenance fund has been earmarked by the legislature for specific purposes. In order to provide appropriate accountability to FWP users, separate special revenue funds are needed.
- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)**
This bill does not generate additional revenue. It only reserves a portion of the funding source used for acquisition to be placed in this fund for maintenance of the acquisition
- d) **Does the need for this state special revenue provision still exist? ☒ Yes ☐ No (Explain)**
In order to provide appropriate accountability to FWP users, a separate special revenue fund is needed.
- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)**
As explained in part c, there is no dedicated revenue flow for this account
- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)**
As explained in part c, there is no dedicated revenue flow for this account.
- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)**
Auditing efficiencies include a clear audit trail to support the non-diversion clause of state and federal statutes. It also provides appropriate and efficient accountability to FWP users.